

Building Products Limited

Annual Report 1937

For the year ending December 31st.

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BUILDING PRODUCTS LIMITED

THE Directors present to the Shareholders their Annual Report with the Company's Balance Sheet and Statement of Profit and Loss as at December 31, 1937.

Net Profit for the year after providing adequate reserves for depreciation and all known contingencies was \$362,985.28 compared to \$271,119.36 in 1936.

Volume of sales showed a very satisfactory increase but profits were less than the all-time high because of increased expenses, of which taxes and wages were an important part. All employees were again granted a year-end bonus and shareholders received larger dividends. Capital Assets were increased approximately \$100,000.00.

The Home Improvement Plan sponsored by the Dominion Government stimulated the demand for our products and under the Dominion Housing Act a larger number of new residences was built, in many of which our roofing, insulation or flooring products were used. During our busy season we employed nearly 20% more people, and as all seem to agree that the status of the construction industry has an important bearing upon the whole unemployment situation of this country, it is to be hoped that all concerned will encourage the widest possible use of both the Dominion Housing Act and the Home Improvement Plan.

Larger and more efficient headquarters have just been completed at Head Office, and you are cordially invited to call here or at any of our offices or factories where you may become more familiar with the products of your Company, all of which are so essential in new construction and in the modernization of existing buildings.

W. R. McNEIL

President

Montreal, January 20, 1938.

BUILDING PRO

(INCORPORATED UNDER THE LAWS OF CANADA)

BALANCE SHEET

ASSETS

CURRENT AND WORKING ASSETS:

Inventories of Stocks on hand as certified by the Management, valued at the lower of cost or market price	\$ 539,713.21	
Trade Accounts Receivable (less Bad Debt Reserve)	305,671.70	
Other Accounts Receivable	13,275.48	
Dominion Government Bonds at cost (less Reserve) (Market value, December 31st 1937—\$1,153,348.75)	1,133,933.75	
Cash in Bank and on Hand	52,140.03	
Insurance unexpired and Taxes prepaid etc.	10,720.19	
		\$ 2,055,454.36

PROPERTY ACCOUNT:

Land, Buildings and Equipment, purchase price at date of acquisition in 1926, plus subsequent additions (net) at cost	1,633,488.33	
Less: Reserve for Depreciation	903,182.76	
		730,305.57

\$ 2,785,759.93

Approved on behalf of the Board:

(Signed) W. R. McNeil, Director.

" Winthrop Brainerd, Director.

AUDITORS' REPORT TO

We have made an examination of the books and accounts of Building Products Limited for the year ended December 31st 1937, and we report that, in our opinion, the above Balance Sheet is a true and correct statement of the state of the Company's affairs, according to the best of our information and the

MONTREAL, January 18th, 1938.

DUCTS LIMITED

OF THE DOMINION OF CANADA)

DECEMBER 31st 1937

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable and Accrued Liabilities	\$	138,378.00	
Provision for Dominion, Provincial and other			
Taxes		80,196.43	
			\$ 218,574.43

RESERVE FOR CONTINGENCIES:

219,911.77

CAPITAL AND SURPLUS:

Represented by shares without nominal or par value—

Class "A" Shares (Non-Voting) 116,346 Shares	1,438,110.00
Class "B" Shares (Voting) 4,500 Shares	45,000.00

Being all of the authorized issue 1,483,110.00

EARNED SURPLUS:

Balance as per statement attached	864,163.73	
		2,347,273.73

\$ 2,785,759.93

NOTE:—

Contingent Liability in respect of
Customers Notes Discounted \$33,147.02

THE SHAREHOLDERS

for the year ending December 31st 1937 and have obtained all the information and explanations at December 31st 1937 is properly drawn up so as to exhibit a true and correct view of the financial position of the Company and as shown by the books of the Company.

PRICE, WATERHOUSE & CO.,
Auditors

BUILDING PRODUCTS LIMITED

STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

YEAR ENDING DECEMBER 31ST 1937

Net Profit from Operations for the year ending December 31st 1937, before taking into account the items shown below		\$ 546,651.28
ADD: Interest on Investments	\$ 31,805.86	
Profit on Investments less amount appro- priated to write off premiums on bonds pur- chased above par	9,467.50	41,273.36
		587,924.64
DEDUCT: Provision for Depreciation	53,999.72	
Transferred to Contingent Reserve	8,452.79	
Directors Fees	3,320.00	
Legal Fees	2,177.00	
Remuneration to Executive Officers	82,947.00	
Provision for Dominion and Provincial Income Taxes	74,042.85	224,939.36
Net Profit for the year after providing for Income Taxes thereon		362,985.28
Earned Surplus Balance at December 31st, 1936		797,251.15
		1,160,236.43
DEDUCT: Dividends declared and Paid		296,072.70
Earned Surplus Balance at December 31st, 1937		<u>\$ 864,163.73</u>

BUILDING PRODUCTS LIMITED

BOARD OF DIRECTORS

- PHILIP R. ALLEN, *Chairman of the Board*
Bird & Son, Inc.
- WINTHROP BRAINERD, *Vice-President*
Canadian Industries Limited
- C. P. COWAN, *Vice-President*
Building Products Limited
- R. C. CROOKER, *Secretary-Treasurer*
Building Products Limited
- D. P. HATCH, *Vice-President*
Building Products Limited
- G. H. MONTGOMERY, K.C.
Brown, Montgomery & McMichael
- G. M. MCKEE, *Assistant to the President*
Consolidated Paper Corporation, Limited
- W. R. MCNEIL, *President*
Building Products Limited
- H. R. TUDHOPE, *President*
A. E. Ames & Co., Limited
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OFFICERS

Chairman of the Board

PHILIP R. ALLEN

President

W. R. MCNEIL

Vice-Presidents

C. P. COWAN—D. P. HATCH

Secretary-Treasurer

R. C. CROOKER

HEAD OFFICE—Montreal, Canada

SALES OFFICES—Montreal, Toronto, Hamilton and
Winnipeg

PAPER MILL—Pont Rouge, Que.

ROOFING FACTORIES—Montreal, Que., Hamilton, Ont.,
Winnipeg, Man.

QUARRIES—Verona, Ont.

